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Report of the Economic and Social Council

Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of coordination of emergency humanitarian assistance of the United Nations; special economic assistance to individual countries or regions

Dialogue among civilizations

Implementation of the outcome of the World Summit for Social Development

The situation in the Middle East

United Nations reform: measures and proposals: United Nations reform: measures and proposals; the Millennium Assembly of the United Nations

Launching of global negotiations on international economic cooperation for development

Strengthening of the United Nations system

Restructuring and revitalization of the United Nations in the economic, social and related fields

Macroeconomic policy questions: high-level international intergovernmental consideration of financing for development; financing of development, including net transfer of resources between developing and developed countries; trade and development; science and technology for development; external debt crisis and development

Sectoral policy questions: industrial development cooperation

Sustainable development and international economic cooperation: implementation of the commitments and policies agreed upon in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and implementation of the International Development

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Strategy for the Fourth United Nations Development Decade; implementation of the outcome of the United Nations Conference on Human Settlements; women in development; human resources development; international migration and development, including the question of the convening of a United Nations conference on international migration and development to address migration issues; implementation of the Programme of Action for the Least Developed Countries for the 1990s; renewal of the dialogue on strengthening international economic cooperation for development through partnership; implementation of the Programme of Action of the International Conference on Population and Development

Environment and sustainable development: implementation of Agenda 21 and the Programme for the Further Implementation of Agenda 21; international Decade for Natural Disaster Reduction; convention on Biological Diversity; protection of global climate for present and future generations of mankind; implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa; implementation of the outcome of the Global Conference on the Sustainable Development of Small Island Developing States

Operational activities for development: operational activities for development of the United Nations system; economic and technical cooperation among developing countries

Permanent sovereignty of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan over their natural resources

Globalization and interdependence

Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006)

Implementation of the outcome of the Fourth World Conference on Women

Review of the efficiency of the administrative and financial functioning of the United Nations

Programme budget for the biennium 1998-1999

Programme planning

Proposed programme budget for the biennium 2000-2001

Improving the financial situation of the United Nations

Pattern of conferences

Scale of assessments for the apportionment of the expenses of the United Nations

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Letter dated 29 September 1999 from the Permanent Representative of Guyana to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the Ministerial declaration (see annex I) and the Ministerial statement on the South Summit (see annex II), adopted on the occasion of the twenty-third annual meeting of the Ministers for Foreign Affairs of the Group of 77, held at United Nations Headquarters in New York on 24 September 1999.

On behalf of the Group of 77 I would highly appreciate it if you could arrange for the present letter and its annexes to be circulated, as a document of the fifty-fourth session of the General Assembly under agenda items 12, 20 (a) and (b), 34, 37, 43, 49 (a) and (b), 58, 59, 61, 97 (a), (b), (c), (d) and (e), 98 (a), 99 (a), (b), (c), (d), (e), (f), (g) and (h), 100 (a), (b), (c), (d), (e) and (f), 101 (a) and (b), 103, 104, 105, 110, 118, 119, 120, 121, 122, 124, 125 and 151.

(*Signed*) S. R. **Insanally**
Ambassador
Permanent Representative of Guyana to the United Nations
Chairman of the Group of 77

Annex I

Ministerial declaration on the South Summit, adopted at the twenty-third annual meeting of Ministers for Foreign Affairs of the Group of 77, held at United Nations Headquarters on 24 September 1999

1. The Twenty-third Annual Meeting of the Ministers for Foreign Affairs of the Group of 77 was held in New York on 24 September 1999.

2. The Ministers, availing themselves of the occasion of the 35th anniversary of the Group of 77, reflected on the emergence of the Group as a major force in world affairs and on the constructive role it has played in development and international economic cooperation and in consensus building on these issues over the past three and a half decades. They reaffirmed their commitment to the principles and objectives that have guided the Group over the years and the spirit of mutual support and solidarity that has prevailed among its members and determined to strengthen the unity and solidarity of the Group in the continuing pursuit of its objectives.

3. The Ministers pledged to work towards a clearer definition of long-term strategies of the Group and, in this regard, underscored the historic importance of the South Summit to be held in Havana, Cuba, from 12 to 14 April 2000. They undertook to further mobilize the collective strength and solidarity of developing countries through strengthening South-South cooperation as well as enhancing the Group's negotiating capacity on all major development issues. The Ministers also expressed their determination to work towards a new and decisive role for the United Nations on global economic and development issues in keeping with the Charter.

Role of the United Nations

4. On the eve of a new century and millennium, the Ministers reiterated the importance of the UN as the central forum for dialogue, negotiations and policy making on issues relating to development and international economic cooperation and called upon all States to respect the principles and purposes embodied in the Charter of the United Nations. They advocated a stronger United Nations system to handle the complex and interrelated problems facing developing countries. They stressed the need to further enhance the coordination between the UN and the multilateral financial and trade institutions. In this regard, they emphasized that the UN, the most universal organization, must play a key role in international economic policy-making. They also emphasized that the leading international trade and financial institutions must take into account the policy framework adopted by the UN and should ensure that their policies are in conformity with the developmental objectives of developing countries. They also stressed the crucial role of the UN in facilitating development through operational activities. The Ministers welcomed the high level dialogues between the Economic and Social Council and the Bretton Woods Institutions, which have taken placed in the last years.

5. The Ministers renewed their determination to strive, through the United Nations and other fora, for a world characterised by justice, equity and genuine human solidarity. They also reaffirmed their commitment to the full realisation of the right to development and stressed that this should be accorded the utmost priority by the United Nations in the twenty-first century.

6. The Ministers welcomed the proclamation by the United Nations General Assembly of the year 2001 as the year of Dialogue among Civilizations and stressed the importance of this initiative as a means of enhancing understanding of diverse cultures and promoting cultural interaction in a globalising era.

Global Economic Situation

7. The Ministers noted with grave concern that the international economic environment continues to be unfavourable for the developing world. They observed that developing countries as a whole experienced a deceleration in economic growth in recent years. While there were individual cases of continued growth in different regions, many countries witnessed debilitating slow-downs while others experienced devastating economic crisis and deep recession with bleak prospects in the near future.

8. The Ministers noted with concern the widening gap between the developed and developing countries and the continued uncertain prospects of global economic recovery and its consequences for developing countries. They stressed the need for concerted multilateral actions to achieve the objectives of the United Nations Charter in solving economic and social problems and in promoting peace and security. They therefore called for the establishment of a just international economic order and for measures to ensure the full and effective participation of developing countries in the process of decision-making aimed at resolving world economic problems. The Ministers further called for a renewal of political will and of the spirit of international partnership in development and for the creation of an enabling international economic environment in order to support developing countries' efforts to achieve sustained economic growth and sustainable development while reaffirming the leading roles of national governments in the development process of each country.

Globalisation and interdependence

9. The Ministers pointed out that the differential reach and impact of globalisation has generated economic asymmetries both at the global and national levels and posed new challenges to the development aspirations of developing countries. Many developing countries, particularly the least developed countries and the structurally weak and vulnerable and small economies, have faced difficulties in their efforts to integrate effectively into the world economy and have suffered the consequences of globalisation. The Ministers observed that the impact of these processes was increasingly pronounced in the areas of finance and trade and at the same time noted that the effects were also extending to the social and cultural domains. They called for further analysis and evaluation of the possible implications of these trends for developing countries in the 21st Century.

10. On the other hand, the Ministers emphasized that globalisation should be a powerful and dynamic force for strengthening cooperation and accelerating growth and development. It presents opportunities, as well as risks and challenges. Globalisation is a process which can be uneven and unpredictable, but if it is properly harnessed and managed, the foundations for enduring and equitable growth at the international and national levels can be laid. National

efforts need to be complemented by intensified international cooperation in order to reverse the marginalisation and manage the risks, overcome the challenges and seize the opportunities created by globalisation.

11. The Ministers observed that the global economy continues to be characterized by growth in flows of trade, finance, information and technology, which has led to increased interdependence among countries. However, the impact of globalisation and interdependence was highly uneven. They expressed deep concern regarding the marginalisation of a large number of developing countries, which were thus being denied the benefits of these processes. They stressed that most developing countries continued to face problems of access to markets, capital and technology and many grappled with the structural transformation necessary for meaningful integration into the world economy. They emphasized that the ability to exploit new opportunities was determined *inter alia*, by technological and institutional capacities to access the global markets. They strongly urged that the central focus of international development efforts should be the creation of an enabling international economic environment in which the developing countries would be able to acquire the requisite capacities to successfully compete and benefit from globalisation.

12. The Ministers further observed that globalisation, and the increasing interdependence that it engenders, necessitate effective governance that focuses primarily on: (a) the democratisation of international economic decision-making; (b) the integrated consideration of trade, finance and developmental issues by international institutions, (c) the reform of the international financial architecture and (d) the problem of marginalisation.

13. The Ministers noted that the recent financial crisis in Asia has exposed weaknesses in the international financial system. They voiced concern about the lack of surveillance and regulation of international currency trading, as well as the volatility of the international financial system, which have a detrimental impact on global financial and economic stability. Therefore, the Ministers emphasized the need to strengthen the global financial architecture, including with regard to the prevention, management and resolution of financial crises in a timely and effective manner, with a view to achieving a more stable, manageable, transparent and development-oriented international financial system.

14. The Ministers also noted that the financial crisis has reinforced the need for serious global efforts to establish more stringent rules and regulations on short-term capital flows in order to maintain and promote stability in the international financial system. These efforts include the strengthening of the "lender of last resort" function and the establishment of mechanisms through which multilateral financial institutions, regional banks and institutions, and major economies can rapidly restore calm to financial markets in the event of a crisis.

15. The Ministers stressed the necessity for the international community to consider new approaches to international development cooperation, based on growth, stability and equity with the full participation and integration of the developing countries in the globalising world economy. They also attached great importance to the efforts aimed at increasing awareness and common understanding on how the international community should address the challenges and opportunities of globalisation. In this regard, they expressed their strong support for the holding

of the next biennial High-Level Meeting on the Renewal of the Dialogue on the Strengthening International Cooperation for Development.

International Trade

16. The Ministers welcomed the outcome of the Ninth Ministerial Meeting of the Group of 77 Preparatory to UNCTAD X, held in Marrakech, Morocco, from 13 to 16 September 1999 and called on developing countries to continue coordinating their position on trade issues at the forthcoming sessions of UNCTAD.

17. The Ministers committed themselves to working together to make UNCTAD X a system-wide endeavour involving all actors in development in all its dimensions. They considered that UNCTAD X, being the first major UN conference in the new millennium, will be able to define a new development paradigm based on growth, stability and equity with full participation and integration of developing countries in the globalised economy and to make globalisation an effective tool for the development of all countries.

18. The Ministers considered the liberalization of international trade under WTO rules as a powerful and dynamic force for accelerating growth and development. They reaffirmed their commitment to persevere in the pursuit of liberal and open trade policies that integrate the development dimension. They considered that challenge for the Third WTO Ministerial Conference is to make resolute progress along the path towards an open international trading system whose benefits are equitable distributed.

19. The Ministers noted with great concern, however, that the benefits of the existing multilateral trading system continue to elude developing countries. Progress towards full liberalization in sectors of particular interest to them is lagging behind, and significant imbalances between rights and obligations exist in multilateral trade agreements (MTAs), as well as in conditions of market access. They stated that the persistence of these anomalies could erode the confidence of developing countries in the multilateral trading system and strengthen the hand of those who would wish to retreat into misguided protectionist policies and approaches.

20. The Ministers therefore attached utmost importance to addressing the issues and difficulties faced by developing countries that have arisen in the course of the implementation of the WTO MTAs. In this way developing countries can achieve a share in the growth of international trade commensurate with their economic development needs. The non-realization of benefits by many developing countries in areas of interest to them has resulted from the failure of major trading partners to fully and faithfully meet their obligations in these areas, particularly textiles and clothing. They therefore urged that the question of the implementation of Marrakech Agreements and Decisions be addressed and resolved at Seattle by the Third Ministerial Conference of the WTO.

21. In particular, the Ministers stressed that special and differential provisions in the WTO MTAs, many of a "best endeavour" nature, which have largely remained unimplemented, must be operationalised if the developing countries are to derive the expected benefits.

22. The Ministers stressed that the negotiations provided for under the "Built-in Agenda" should be launched without delay responding to the priorities of developing countries:

In agriculture, the objective should be to incorporate the sector within normal WTO rules, addressing the particular problems of predominantly agrarian and small island developing economies and net food-importing developing countries.

Negotiations on trade in services should be carried out within the existing architecture of GATS and aimed at the liberalization of sectors of special interest to developing countries and the movement of natural persons, while taking account of the impact of electronic commerce.

The mandated reviews under the WTO MTAs ought to redress imbalances and to ensure that provisions in favour of developing countries are effectively implemented.

23. The Ministers called upon developed countries to demonstrate a firm and unequivocal commitment to opening their markets to the exports of developing countries, and to provide duty free and quota free access for the exports of the least developed countries. This should not affect WTO members' existing commitments relating to preferential schemes. Any future negotiations should address the elimination of tariff peaks and tariff escalation and should introduce further disciplines to prevent the abuse of measures such as antidumping, countervailing duties and safeguard actions, sanitary and phytosanitary regulations and technical barriers to trade, as well as to prevent the apparent revival of the use of voluntary export restraints. The work programme on the harmonization of non-preferential rules of origin should be achieved rapidly, to attain simplified, harmonized and more transparent rules.

24. The Ministers undertook to collectively pursue a positive agenda for future multilateral trade negotiations which should also pay particular attention to such issues as transfer of technology, appropriate safeguards for developing countries, credit for autonomous liberalization, export finance, commodity markets and the integration of developing countries into the multilateral trading system on equitable terms. These negotiations should make operational the provisions under the TRIPs Agreement relating to the transfer of technology, to the mutual advantage of producers and users of technological knowledge and seek mechanisms for a balanced protection of biological resources and disciplines to protect traditional knowledge; enable developing countries under the TRIMs Agreement and the Agreement on Subsidies and Countervailing Measures to use measures necessary to implement their policies for development and export diversification and upgrading.

25. The Ministers reiterated that the Singapore Ministerial declaration confirmed that ILO is the competent body to set and deal with all issues relating to labour standards. They therefore firmly opposed any linkage between trade and labour standards. They were also against the use of environmental standards as a new form of protectionism. They asserted that issues relating to such standards should be dealt with by the competent international organizations and not by the WTO.

26. The Ministers remained convinced of the need for differential and more favourable treatment of developing countries. This includes assistance to developing countries to assist them in overcoming transitional costs and to allow time for achieving development goals and enhancing competitiveness. The concept of special and differential treatment should be reviewed and strengthened to take account of the changing realities of world trade and of globalised production, and must be accompanied by capacity-building, enhanced market access and measures taken by industrialized countries to encourage their enterprises and institutions to transfer technology and know-how and invest in developing countries.

27. The Ministers stressed that eliminating trade barriers will not be enough to accelerate the integration of developing countries into the multilateral trading system. They therefore called upon the international community to expand technical cooperation and capacity-building programmes, and to provide support for overcoming supply-side deficiencies and improving the trade infrastructure in developing countries, particularly the LDCs and small economies. There is a need to strengthen their export sectors and stimulate the positive contribution that the commodity sector can make to development through diversification. The Ministers addressed implementation of activities within the integrated framework for trade-related technical assistance endorsed by the 1997 WTO high-level meeting on LDCs trade development needs to be accelerated and called on the developed countries to provide the necessary resources for this objective.

28. The Ministers further called on the international community to give serious consideration to the proposals adopted by the LDCs' Coordinating Workshop convened in South Africa in June 1999.

29. The Ministers noted the importance for all countries of consistency between national trade policies and the multilateral trade agreements. In this regard, they expressed concern at:

The continuing use of coercive economic measures against developing countries, through, inter-alia, unilateral economic and trade sanctions which are in contradiction with international law, which constitute a violation of the United Nations Charter and of WTO rules; and that

The fact that the preferential trade access granted to some developing countries continues to be tied to conditions not related to trade. They affirmed that these harmful practices, which conflict with WTO rules, should be eliminated.

30. The Ministers underlined that the universality of the World Trade Organization should be achieved as soon as possible in order to strengthen the multilateral trading system. They stated that appropriate assistance should be made available to developing countries seeking accession. They should be offered terms that neither exceed nor are unrelated to the commitments of developing country and LDC members of WTO. They urged that all WTO members refrain from placing excessive or onerous demands on applications from developing countries. The Ministers, therefore, stressed the need for a transparent, streamlined and accelerated accession process that is in keeping with WTO rules and disciplines.

31. The Ministers recognized the importance of regional and sub regional integration. They noted that arrangements facilitate trade and investment flows, economies of scale, economic liberalization and the integration of their members into the system of international economic relations within a framework of open regionalism, enabling progress towards a more open multilateral system.

32. The Ministers attached importance to achieving greater complementarity in international economic policy making. The international institutions involved should pursue mutually supportive policies which would enable developing countries derive maximum benefit from the Multilateral Trade Agreements, while respecting the rights of developing countries enshrined in these Agreements.

33. The Ministers emphasised that the issue of commodities continues to occupy a priority place on the development agenda inasmuch as the revenue from exports of these products continues to be of cardinal importance. UNCTAD needs to carry out analytical studies and provide technical cooperation to support developing countries in the horizontal and vertical diversification of the goods they produce for export. The Ministers pointed to the need to strengthen the export sector and stimulate the positive contribution that the commodity sector can make to development, and urged the international community to further support the Common Fund for Commodities, including fulfilment of the pledges for contributions.

34. Recognizing the important contribution of foreign direct investment to growth and development in developing countries, and to the modernization of their production processes, the Ministers welcomed investment in productive activities in the economies of developing countries, both to create jobs and share skills, technology and know-how with the peoples, and to do business and form partnerships with enterprises of the developing world so that all enterprises can be globally competitive. They called on major home countries to expand their guarantee facilities for investment in developing countries especially LDCs, and urged the Multilateral Investment Guarantee Agency (MIGA) to provide preferential premiums for investors from developing countries that have no guarantee systems of their own. They noted that further study of issues related to the development dimensions of international investment agreements is needed. The Ministers encouraged the development of viable and internationally competitive enterprises in developing countries and pledged their continued support for cooperative arrangements for enterprise networking across regions and sub regions. They called on UNCTAD, in its activities on small and medium-sized enterprises, and in cooperation with other relevant organizations, to assist developing countries in their efforts to develop women entrepreneurship.

35. The Ministers reiterated the importance of expanding the opportunities and channels for transfer of technology and know-how to developing countries. They stressed the need to analyse the impact of existing multilateral trade agreements on access to technology. There is also a need to implement commitments, embodied in existing international agreements, related to technology transfer to developing countries. They stated that the transfer of technology should not be restricted on an arbitrary or discriminatory basis, especially to developing countries. Rather, the Ministers stressed that the international community should establish principles and guidelines for the sharing of knowledge and technology for development

36. The Ministers noted that the information revolution is transforming the conduct of business. The capacities of developing countries to participate effectively in electronic commerce need to be strengthened. There is also need for analyses of the implications of electronic commerce on trade and development prospects for developing countries. The Ministers noted that fiscal, legal and regulatory aspects of electronic commerce should be analysed.

37. The Ministers welcomed the fact that some developing countries are acquiring new potential by becoming important foreign investors and actors in international trade. Thus, there are greater possibilities for Economic Cooperation between Developing Countries (ECDC) to increase investment and mutual trade, as well as enhance industrial and technological cooperation. ECDC at the regional, sub regional and interregional levels is important for linking the economies of developing countries into viable economic spaces necessary for stimulating dynamic trade and investment growth. They welcomed the successful conclusions of the second round of negotiations on the Global System of Trade Preferences among Developing Countries (GSTP) and invited participating countries to join efforts in deepening, speeding up and expanding the GSTP to enhance its impact and to examine possible ways of rationalizing the process of negotiations for third round.

Financing for Development

38. The Ministers underlined the crucial importance of financing to the success of the development process. They called for a new global partnership to be entered into at the highest level in order to place the financing for development on a sound and predictable footing. They expressed their appreciation for the outcome of the deliberations of the Ad Hoc Open-ended Working Group of the General Assembly on Financing for Development which they considered as a valuable input toward the building of such a partnership. The Ministers urged a strong commitment by the international community to mobilizing adequate resources to facilitate sustained economic growth in developing countries. In this regard, they stressed the need for convening a high-level international conference on financing for development in the year 2001 in order to give effect to these objectives. The Ministers therefore called upon the international community to expedite the process of preparation of the Conference, particularly as regards its scope, agenda, format and modalities. They stressed that the agenda of the Conference should allow for a holistic and integrated coverage of all issues relevant to financing for development. They decided that the Group of 77 should actively pursue a collective and coordinated position on this matter in close cooperation with the Group of 24.

ODA and External Debt of Developing Countries

39. The Ministers noted that developing countries continue to make strenuous efforts to mobilize domestic resources for development. They however underscored that such efforts need to be supplemented by external resources in order to effectively address their development requirements. The Ministers expressed concern at the erosion of development cooperation and underlined the need to reinvigorate it in order to address the new requirements of developing countries in the context of the new phenomenon of globalisation and liberalization. In this context, they noted the close linkage between the prosperity of developing and developed

countries and the potential of developing countries as locomotives of growth. They urged developed countries to make the necessary investments including the mobilization of new and additional financial resources for the realization of this potential.

40. The Ministers also noted with concern the continued and significant decline of ODA in recent years, which reached a low of 0.22 per cent of GNP, representing less than one third of 0.7 UN target. They reiterated the urgent need for a substantial increase of official development assistance (ODA). In this regard, they strongly urged compliance with internationally agreed ODA targets and with commitments for new and additional resources. In particular, they urged the developed countries to provide 0.7 per cent of their GNP to developing countries by the year 2000 as per commitments reflected in Agenda 21 as well as 0.15 per cent for the least developed countries in accordance with the Paris Declaration and the Programme of Action adopted in September 1990.

41. The Ministers expressed regret that despite several initiatives undertaken over the past decade by the international community, the debt crisis persists as one of the main constraints for the development of developing countries, including the least developed countries, and for those at the lower, lower-middle and middle-income levels. They reiterated the urgent need for the international community, particularly the donor countries and international financial institutions to adopt an effective, comprehensive and equitable, once-and-for-all development-oriented and durable solution to the debt problem of the developing countries, including debt reduction and increased concessional financial flows for all developing countries. At the same time, they stressed that structural adjustment policies must not divert resources away from social priorities in debtor countries.

42. The Ministers welcomed the recent decision of the seven most industrialized countries (G7) to improve the Heavily Indebted Poor Countries (HIPC) initiative and to grant additional debt relief. They called for more concerted efforts to achieve rapid progress towards faster and deeper debt relief through flexible implementation of eligibility criteria and increased contributions to the HIPC trust fund, and other viable and effective modalities for its funding, as well as for other measures to ensure a permanent exit from unsustainable debt burden of developing countries.

43. While noting the latest initiatives to find a solution for the indebtedness of the Highly Indebted Poor Countries (HIPC), the Ministers underlined the need for a durable solution of the external debt problems of the middle income developing countries which were seriously crippling their efforts for sustained economic growth and sustainable development. They emphasized the important role such countries play in the global economy, and called for debt reduction policy arrangements for these countries to speed up the release of the financial resources for development. The Ministers further called for intensification of measures on the conversion of external debt of the middle-income developing countries to promote development investments in accordance with the priorities and needs of those countries.

Microcredit

44. The Ministers reiterated their support for the global campaign launched by the 1997 Microcredit Summit to reach 100 million of the world's poorest families, especially for the women of those families with credit for self-employment, and other financial and business services, by the year 2005. They welcomed the holding of the Meeting of Councils in Abidjan, Cote d'Ivoire on June 24 to 26, 1999. They noted the favourable impact of microcredit in promoting the eradication of poverty in countries where it is being implemented. The Ministers also recognised its role in the empowerment of women and its positive impact on poor families and reiterated the call for increased funding of this valuable initiative.

Follow-up of the United Nations major conferences and summits

45. The Ministers stressed the critical importance of effective follow up to landmark UN conferences held since 1990 to ensure that the commitments, recommendations and measures agreed to at these conferences are implemented as soon as possible. They noted the significant achievements made by developing countries in honouring their commitments. However, they expressed concern that the efforts of developing countries to fully implement their commitments are hampered by the lack of provision of sufficient and necessary external resources. This was further compounded by the impact of the recent South East Asian financial and economic crisis, which has global implications.

46. At the same time, the Ministers noted with grave concern the lack of political will on the part of the international donor community to implement their conference commitments. They urged developed countries to fulfil their commitments for the full implementation and follow-up of decisions, recommendations and targets set forth in the Programmes of Action and relevant documents adopted at the major United Nations Conferences and Summits held in this decade. They called for enhanced efforts on the part of the developed countries to provide concrete assistance for poverty eradication in accordance with the outcomes of the conferences and summits. They also cautioned against attempts to selectively implement the outcomes of the conferences and summits, thereby excluding the international community's obligations in areas such as providing greater market access, easing the debt burden, and promoting financial flows, and technology transfers.

47. The Ministers called for the establishment of effective financing mechanisms to mobilize international resources to assist developing countries in implementing their commitments undertaken within the programmes of action adopted at the major United Nations Conferences and Summits.

48. The Ministers underlined the necessity for early substantive preparations for the five-year review of the implementation of the United Nations Conference on Human Settlements (Habitat II), with a view to attaining meaningful results. In particular, they looked forward to progress in the implementation of commitments in regard to the means of implementation. The Ministers expressed the hope that preparation for the review would identify the challenges and constraints in meeting such commitments and evolve mechanisms to address them.

Environment and Development

49. The Ministers reiterated the urgency of accelerating the comprehensive implementation of Agenda 21. They further emphasized the importance of ensuring that all global environmental measures and programmes are based on international dialogue and/or consensus and should not constitute a means of arbitrary or unjustifiable barriers or a disguised restriction that may inhibit economic growth. In this regard, they stressed that such implementation should not contradict the right of the developing countries to benefit fully from the utilization of their resources that are vital for sustained economic growth and sustainable development. The Ministers called on the developed countries to fulfil all their commitments contained in Agenda 21, which require them to halt their own destructive impact on the global environment while assisting the developing countries in combating environmental threats by providing new and additional financial resources and by the transfer of technology. In this context, they reaffirmed the principle of common but differentiated responsibilities.

50. The Ministers stressed that the development and transfer of environmentally sound technologies are essential components of a successful strategy for sustainable development. Therefore, it is important to emphasize that effective modalities be agreed upon for the creation, development, favourable access to and transfer of environmentally sound technologies to developing countries on favourable terms, including concessional, preferential and grant terms. These arrangements should include the establishment in developing countries of international, regional and sub regional technology centres, and the dissemination of information on existing environmentally sound technologies.

51. In the context of the implementation of the Convention to Combat Desertification, the Ministers noted that the efforts to prevent and control desertification remain insufficient. They expressed concern about the lack of financial resources and the incomplete functioning of the Global Mechanism. They called upon the international community, in particular donor countries and the international development cooperation system to provide technical scientific and financial support for the implementation of the Convention. The Ministers welcomed the Third Conference of the Parties of the Convention to Combat Desertification to be held in Brazil next November in order to address ways and means for the full implementation of the Convention.

52. The Ministers stressed the urgent need for the international community to address the issue of natural disaster prevention and to adopt adequate measures for disaster reduction as an integral component of sustainable development strategies and policies at all levels. In this context, they urged continued and full implementation of General Assembly resolutions 52/200 and 53/185 and Economic and Social Council resolution 1999/46 on international cooperation to reduce the impact of the El Niño phenomenon as an integral part of successor arrangements to the International Decade for Natural Disaster Reduction.

53. The Ministers welcomed the Kyoto Protocol on legally binding commitments for the Parties to the Framework Convention on Climate Change to reduce their emission of Greenhouse Gases as contained in Annex-B of the Kyoto Protocol. They urged developed countries to undertake urgent and effective steps to implement these commitments including domestic action. Emission trading for implementation of such commitments can only commence after issues relating to the

principles, modalities etc of such trading, including the initial allocation of emission entitlement on an equitable basis to all countries has been agreed upon by the Parties to the Framework Convention on Climate Change. The Ministers categorically reject all attempts by some developed countries to link their ratification of the Kyoto Protocol with the question of participation by developing countries in the reduction of Greenhouse Gases emissions. The Ministers also called for immediate measures to provide the developing countries with necessary financial resources and clean technology to enable them to meet their existing commitments under the Framework convention on Climate change, including inter-alia, inventorization of national emissions and dissemination of knowledge of climate change. The ministers also urged developed countries to avoid misuses of the "flexibility mechanisms" envisaged in the Kyoto Protocol to evade, inter- alia, domestic commitments to reduce greenhouse gas emissions.

54. The Ministers acknowledged that the depletion of the ozone layer poses a serious threat to the whole world. They urged the Parties to the Protocol to comply with the requirements and to phase out the production and consumption of regulated ozone depleting substances (ODS's) in accordance with the phase out schedules agreed to by countries in terms of the Protocol. The Ministers also urged Parties to the Protocol to comply with its requirements, including those relating to the phasing out of the consumption of regulated ozone depleting substances, and assistance to affected producers in developing countries.

55. The Ministers noted the need for full implementation of the provisions of the Convention on Biological Diversity. In this context, they looked forward to the early and successful conclusion of the negotiations on a Biosafety Protocol.

56. The Ministers recognized the important work of the Intergovernmental Forum on Forests, the successor to the Intergovernmental Panel on Forests, in advancing the Forest Principles[1] and took note of the outcome of IFF III, held in Geneva in May 1999. In this regard, the Ministers called for a successful round of negotiations at the final session of the IFF in February 2000. The Ministers called upon the developed countries to implement their commitments particularly as set out in Chapters 33 and 34 of Agenda 21 in the context of IPF and IFF, and to continue to support policy deliberations and concrete actions building upon the forest principles adopted in Rio.

57. The Ministers underscored the need for early substantive preparations for the 10-year review of the implementation of the outcome of the UN Conference on Environment and Development with a view to attaining meaningful results. Specifically, they noted the lack of progress in implementation of commitments at the international level, particularly in areas such as enhanced concessional financial resources and transfer of environmentally sound technology on concessional terms, which was evident at the Rio+5 in 1997 and expressed the hope that preparations for the 10 year review would focus on identifying challenges and constraints in meeting such commitments and evolve mechanisms and measures to remedy this.

Habitat and UNEP

[1] Non Legally Binding Authoritative Statement on the conservation, management and sustainable use of all types of Forest.

58. The Ministers noted with satisfaction the adoption by the General Assembly of resolution 53/242 on the "Report of the Secretary-General on Environment and Human Settlements" and underlined its importance to the process of reform and rejuvenation of the United Nations in these areas, with particular reference to the roles of the United Nations Environment Programme (UNEP) and the United Nations Centre fro Human Settlements, UNCHS (Habitat). They therefore called for an effective and speedy implementation of the resolution with a view, inter alia, to enhancing the role, capacities, effectiveness and efficiency of these institutions.

59. The Ministers expressed their concern over the declining funding resources for UNEP and Habitat and urged developed countries to support both institutions with adequate, stable and predictable financial resources to enable them to carry out their mandated activities.

Development and International Economic Cooperation

60. The Ministers expressed the urgent need for certain developed countries to immediately eliminate laws and regulations with adverse extra-territorial impacts and other forms of coercive economic measures including unilateral sanctions against developing countries. They emphasized that such actions not only undermine the principles enshrined in the Charter of the United Nations and international law, inter-alia sovereign equality of States, non-intervention and non-interference in their internal affairs, but also severely menace the freedom of trade and investment, which are also spelled out in many international legal instruments, including the principles establishing the World Trade Organization.

61. The Ministers also expressed their grave concern over the impact of economic sanctions on the civilian population and development capacity in targeted countries and therefore urged the international community to exhaust all peaceful methods before resorting to sanctions, which should only be considered as a last resort. If necessary these sanctions must be established only in strict conformity with the Charter of the United Nations with clear objectives, clear time frame, provision for regular review, precise conditions for their lifting and never be used as a form of punishment or otherwise exact retribution.

62. The Ministers recalled paragraph 179 of the Final Document of the Twelfth Summit of the Non-Aligned Movement in Durban, South Africa, in which deep concern was expressed over the air attack against El-Shifa pharmaceutical factory in the Sudan on 20 August 1998. They recognised that such an act has had a negative impact on the economic and social development of the concerned country and expressed their continued solidarity and support of its demand for a just and fair consideration of the matter in accordance with the Charter of the United Nations and International Law.

Science and Technology

63. The Ministers stressed the importance to developing countries of access to science and technology in order to promote their economic growth and sustainable development. They therefore underscored the need for developing countries to participate in, benefit from, and contribute to, the rapid advances in science and technology. The Ministers called upon the international community to help developing countries strengthen and develop their endogenous

capacities and capabilities in science and technology, including in the area of environmentally sound technologies and new and emerging technologies. In this context they stressed the need to strengthen the work of the ECOSOC Commission of Science and Technology for Development, including through review of its working methods, as well as to enhance its contributions to the efforts of developing countries in this area.

64. The Ministers also urged the removal of all barriers on access to technology and stressed that the transfer of technology is a commitment made by the governments of developed countries in various fora, and thus should not be left solely in the hands of the private sector or based on market prices, but should enhance the productivity and competitiveness of the developing countries in the world market as well as improve the quality of life, health and the environment. They further called for the establishment of national technology information centres in developing countries and for strengthening their networking on regional and global levels to promote technology research, development and dissemination among developing countries. In this context, they stressed the importance of considering ways and means of further promoting science and technology development and coordination in and among developing countries.

Industrialization

65. The Ministers reaffirmed the continued urgency of promoting industrialization as a dynamic instrument for the acceleration of economic and social development and as a key contributor to the eradication of poverty and the creation of productive employment in the developing countries. The Ministers called upon the international community including the relevant organizations and bodies of the United Nations and in particular UNIDO to support the implementation of the Programme for the Second Industrial Development Decade for Africa so as to enable African countries to promote industrialization.

66. The Ministers strongly supported the key role of UNIDO in promoting sustainable industrial development and the transfer of environmentally sound technologies to developing countries and in supporting their efforts to promote sustainable development. They welcomed the efforts of UNIDO to decentralize its activities to provide more effective support to development. They called upon all member states to renew and strengthen their political and financial support to the Organization to enable it to carry out its new mandate. In this regard, the Ministers urged the Government of the United States of America to honour its obligations to UNIDO by effecting prompt and full payment of its outstanding assessed contributions to the Organization.

Operational activities for Development

67. The Ministers underscored the importance of the role of the United Nations in Operational Activities for Development. They called on all developing countries to effectively participate in the work of Executive Boards of the United Nations Funds and Programmes. They stressed the need to ensure that the funding for operational activities for development is placed on a predictable assured, and continued basis, commensurate with the increasing needs of developing countries. They noted with regret that despite the introduction of multiple reform measures, including the Multi-Year Funding Frameworks the financial situation of core resources of the Funds and Programmes remained unstable and precarious. They noted with appreciation the

contribution of a number of developing countries to core resources of Funds and Programmes that demonstrated their faith and commitment to the work of these bodies. They called on traditional donor countries to increase substantially their contributions to these core resources in order to immediately meet the objectives set. They reiterated that the reforms of the United Nations, and decisions taken by the UN Funds and Programmes, including in the context of funding strategies, must safeguard the essential characteristics of UN operational activities, which are universality, neutrality, multilateralism, voluntary and grant nature, and responding to the needs of developing countries in a flexible manner. In this context, the ministers reiterated the role of national governments in establishing the priorities in their respective countries as well as their central coordinating role. While noting the efforts of the Funds and Programmes to generate increased resources, they stressed that such resources can only complement the resources provided by donor countries. Furthermore, such resources should be provided in accordance with the priorities agreed to at the Boards, and should not in any manner distort the priorities of the UN operational agencies, funds and programmes.

68. The Ministers called on agencies, funds and programmes to take effective steps to fully utilize the South-South cooperation modality within their programmes of assistance. Furthermore, they urged them to increase the procurement of goods and services from the developing countries.

Humanitarian Assistance

69. The Ministers stressed the need to maintain clear distinctions between humanitarian assistance and other activities of the United Nations. They rejected the so-called right of humanitarian intervention, which had no basis in the UN Charter or in international law.

70. The Ministers stressed the need for scrupulously respecting the Guiding Principles of Humanitarian Assistance outlined in the Annex to General Assembly resolution 46/182. They emphasized that these principles are valid, time-tested and must continue to be fully observed. They noted that the response of international community to humanitarian emergencies was neither sufficient nor geographically balanced. They called on the developed countries to provide adequate resources for humanitarian assistance and eschew political considerations in the provision of such assistance. They also stressed the need for humanitarian assistance to be additional to development assistance.

71. The Ministers urged the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) to effectively develop and utilize the capacities existing in developing countries, which are available closer to the site of a disaster and often at a lower cost.

72. The Ministers took note of the 1999 Agreed Conclusions of ECOSOC on Special Economic, Humanitarian and Relief Assistance, and called for effective and speedy implementation of the measures outlined therein to address the transition phase which follows natural disasters and complex humanitarian emergencies in the context of transition from relief to rehabilitation, reconstruction and development of the countries affected.

The Financial Situation, Administrative and Budgetary Issues of the United Nations

73. The Ministers reaffirmed the legal obligation of Member States to bear the expenses of the Organisation in accordance with the Charter of the United Nations and the requirements to pay their assessed contributions in full and on time and without conditions. While recognizing the need to extend sympathetic understanding to those that are temporarily unable to meet their financial obligations as a consequence of genuine economic difficulties, the Ministers urged all others, in particular the major contributor, to pay their assessed contributions unconditionally, in full and on time.

74. The Ministers reiterated their deep concern over the difficult and chronic financial situation of the Organisation and reaffirmed that the primary cause of the financial difficulty continues to be the failure on the part of certain developed countries, in particular the major contributor, to pay their assessed contributions to the regular budget and peacekeeping budgets in full, on time and without conditions.

75. The Ministers reaffirmed that the principle of the "capacity to pay" is the fundamental criterion in the apportionment of the expenses of the United Nations. The Ministers further stressed that the developing countries should not be assessed at a rate higher than the capacity to pay as a result of any adjustments in the scale.

76. The Ministers also reaffirmed that the principles contained in the special scale of assessments established in resolutions 1874 (S-IV) of 27 June 1963 and 3101 (XXVIII) of 11 December 1973 and 43/232 of 1 March 1989 for the apportionment of the costs of peacekeeping operations must be adopted on a permanent basis. In this regard, they stressed that the scale for financing these operations must clearly reflect the special responsibilities of the permanent members of the Security Council and economic situation faced by other countries or groups of countries, particularly the developing countries. In this context, the Ministers further stressed that the establishment of a ceiling and a floor for the Permanent Members of the Security Council is totally unacceptable. Furthermore, the Ministers recalled that the economically less developed countries have limited capacity to contribute towards the budgets of peacekeeping operations.

77. The Ministers expressed concern that due to the continuing cash flow deficit in the regular budget, internal cross borrowing from the peacekeeping budgets had to be resorted to in order to finance the regular budget expenses. This practice continues to put undue financial difficulties on the developing countries that provide troops and equipment. The developing countries that contribute troops and equipment continue to subsidize the Organisation through the late and irregular reimbursement of their financial dues. This extraordinary practice cannot be allowed to continue indefinitely. The Ministers also express concern at the late and irregular reimbursement to developing countries that provide troops and equipment to various peacekeeping operations, which is due to the nonpayment of assessed contributions by some Member States.

78. The Ministers underscored that there shall not be any ceiling on the budget of the United Nations and that resources proposed by the Secretary-General should be commensurate with all mandated programmes and activities in order to ensure their full implementation. In this context, the Ministers expressed concern on the decrease in the Secretary-General's budget proposal for

the biennium 2000-2001 in relation to the budget outline approved by the General Assembly in its resolution 53/206, which was a result of a very delicate balance among all Member States. They stressed the need to carefully review the budget proposal in the light of the approved budget outline taking into account all the legislative mandates approved for the biennium 2000-2001.

79. The Ministers underlined that the budget proposals should be submitted in accordance with the budgetary procedure established in resolution 41/213 and the regulations and rules of the Organisation. They reaffirmed that the priorities established by Member States in the medium-term plan, in particular those relating to development activities, should be fully respected and implemented.

80. The Ministers emphasized the need for early conclusion of the negotiations on the modalities for the Development Account. They reiterated that the funds available in the Development Account should be utilized for the sole purpose of enhancing the activities of the United Nations for sustained economic growth and sustainable development, based on the programmes approved in the medium-term plan. The Ministers underlined that the Development Account is a part of the regular budget and should, therefore, be governed by the medium-term plan, regulations and rules of the Organisation and established budgetary practice. They further underscored that the implementation of the Development Account should not result in the reduction neither of the overall of resources of the programme budget nor of the staff level.

81. The Ministers reiterated that the proposal on time limits for new initiatives would have far reaching implications for the United Nations and the Member States. In this regard, they stressed the need for an in-depth examination of the proposal by the Committee for Programme and Coordination, the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee, in all its aspects, before its consideration and action by the General Assembly.

82. Regarding the reform proposal on results-based budgeting, the Ministers noted this proposal would lead to a radical departure from current programme planning and budgetary practices and procedures which have been repeatedly reaffirmed by the General Assembly. They stressed the need for thorough consideration, by the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee, of the more detailed report that the Secretary-General was requested to submit on this proposal. Therefore, no action should be taken by the Secretariat to implement results-based budgeting until the General Assembly decides on the appropriate action on this matter.

83. The Ministers expressed concern at the negligible share of the developing countries in the United Nations system of procurement. They emphasized that the United Nations procurement should be on as wide a geographical basis as possible with preferential treatment for the developing countries. The Ministers further underlined that the United Nations supplier roster should be representative of the membership of the Organisation.

84. The Ministers reaffirmed that all mandated programmes and activities of the United Nations should be performed by international civil servants in accordance with articles 100 and 101 of

the United Nations Charter. They emphasized that all gratis personnel should be completely phased out in accordance with the relevant General Assembly resolutions.

85. The Ministers underscored the importance of the United Nations Office at Nairobi, as the only United Nations Centre in the developing world. They stated that as a matter of principle, the United Nations Office at Nairobi should have the same status as United Nations Offices at Geneva and Vienna. In this regard, they expressed concern at the low number of meetings held at the United Nations Office at Nairobi and emphasized the need for the establishment of a permanent interpretation service at that Office.

Critical Economic Situation in Africa

86. The Ministers reiterated their profound concern at the persistent critical economic situation in Africa. They were convinced that, if not reversed, current trends could considerably worsen the situation, thus endangering the economic and social conditions of African countries and hampering the prospects for their rehabilitation and development. They urged the international community, particularly the developed countries and the United Nations system, to adopt and implement concrete and effective measures to support the efforts of the African countries in the process of economic–development with due consideration for the specificities of African economies.

87. The Ministers noted with deep concern the critical conditions of the external debt of African countries and the heavy and unbearable burden of debt-servicing that had led to the paradoxical situation where some African countries are net exporters of capital to the developed countries and international financial institutions. Furthermore, the Ministers noted that the deteriorating prices for primary commodities, insufficient foreign investment and declining flows of official development assistance to the region has adversely affected the ability of African countries to meet their development objectives as well as their other financial obligations.

88. The Ministers took note of the agreed conclusions of the Coordination Segment of the 1999 substantive session of the Economic and Social Council on the Development of Africa: implementation and coordinated follow-up by the United Nations system of initiatives on African Development and stressed the importance of establishing a linkage between the discussion and conclusion of the said Coordination Segment and the preparatory work for the Council's high-level segment on African development and the final review of the United Nations New Agenda for the Development of Africa in the 1990s (UNNADAF) scheduled before and in the year 2002 respectively. In this regard, they called on the Secretary-General to commission an independent evaluation to identify the achievements and shortcomings encountered in realizing the priorities and targets contained in UNNADAF and recommend future actions, including the consideration of successor arrangements.

Situation in the Middle East

89. The Ministers noted with interest the recent developments in the region related to the Middle East Peace Process. They also expressed their concern over the persistence of the difficult economic and social situation of the Palestinian people as a result of the continued occupation

and illegal Israeli policies and actions in the Occupied Palestinian Territory, including Jerusalem, particularly settlement activities, and the closure of the Palestinian Territory. In this context, the Ministers stressed the need to preserve the territorial integrity of all of the Occupied Palestinian Territory, to guarantee the freedom of movement of persons and goods, and to respect the fundamental human rights of the Palestinian people. The Ministers re-emphasised the need for international assistance to support Palestinian development efforts in the economic and social fields, and called on the international donor community to deliver the financial assistance pledges to the Palestinian Authority.

90. The Ministers reaffirmed their support for the Middle East peace process, aimed at achieving a comprehensive, just and lasting peace in the region on the basis of Security Council resolutions 242 (1967), 338 (1973), and 425 (1978) and the principle of land for peace. They further reaffirmed their support to the Palestinian people in their effort to achieve their inalienable rights, including their right to establish an independent state on their national soil, including Jerusalem. In this context the Ministers urgently called for the full and speedy implementation of the agreements reached and for international support to reactivate and complete the peace process from the point where it was stopped at, emphasizing the necessity to respect all agreements, pledges and commitments reached during previous stage of the peace talks. The Ministers expressed their deep concern at the stalled peace process on the Lebanese-Israeli and Syrian-Israeli tracks, and at the persistence of the Israeli occupation of the Palestinian Territory, including Jerusalem, and the other Arab territories, which gravely deteriorate the living conditions of the Arab population under occupation, as well as negatively affect the national efforts to achieve sustained economic growth and sustainable development in the region. They further expressed grave concern over the escalating Israeli policies of building and expanding settlements in the Occupied Palestinian Territory, including Jerusalem and the occupied Syrian Golan, in violation of international law, relevant United Nations resolutions and the Fourth Geneva Convention, of 12 August 1949. The Ministers reaffirmed further the permanent responsibility of the United Nations towards the Question of Palestine, and called upon Israel to comply with all relevant United Nations resolutions and to put an end to its occupation of Palestinian Territory, including Jerusalem, and the other Arab territories including the Syrian Golan and South Lebanon.

Least Developed Countries

91. The Ministers expressed their deep concern at the deteriorating socio-economic condition of the Least Developed Countries (LDCs) and called for priority action on the many international development commitments towards LDCs, especially those contained in the Paris Declaration and the Programme of Action for LDCs for the 1990s.

92. In this regard, the Ministers stressed the importance of the Third United Nations Conference on the Least Developed Countries (LDC III) to be held in the year 2001 and urged that every opportunity be used during the preparatory process and at the Conference to give further impetus to the implementation of the commitments in the Programme of Action for LDCs, especially in areas of physical and institutional infrastructure, human resource development, technology and market access. They expressed the conviction that the Conference should result in strong and

effective actions and binding global and country-level commitments to end the plight of LDCs and their populations.

Land-Locked and Transit Developing Countries

93. The Ministers called on the international community to give special attention and support to the special development problems and needs of the land-locked developing countries to enable these countries to effectively participate in a rapidly globalising world economy. They also noted that as transit developing countries faced serious economic problems in their efforts at developing a viable transit infrastructure also needed financial and technical support from the international community. In this connection they welcomed the agreed conclusions and recommendations of the Meeting of Intergovernmental Experts from Landlocked and Transit Developing Countries and Representatives of the Donor Countries and Financial and Development Institutions held in New York from 23 to 26 August, 1999 and urged their full implementation. Specifically, they called upon the international community to provide landlocked and transit developing countries with appropriate financial and technical assistance in the form of grants or concessional loans for the construction, maintenance and improvement of their transport, storage and other transit related facilities.

Small Islands Developing States

94. The Ministers reiterated their concern that the special problems and vulnerabilities of Small Islands Developing States (SIDS), in particular lack of market access and absence of special and differential treatment, which continue to create barriers for these countries to effectively participate in a rapidly global sing world economy. The Ministers expressed concern that, although great efforts have been undertaken by SIDS at the national level, there has not been commensurate support at the international level. They renewed their call for strengthening of efforts at the international level in the implementation and follow-up of the Barbados Programme of Action. The Minister emphasized the urgent need to maximize international support through, inter-alia, strengthening the existing institutional arrangements, mobilizing new, additional and external resources, improving coordination mechanism so as to focus and harmonize support for SIDS priorities.

South-South Cooperation

95. The Ministers noted that in the past two decades scientific and technical competence has grown in countries of the South to create a significant complementarity between them. They stressed that these circumstances underscored the need for developing countries to work together to overcome their shared vulnerabilities and disadvantages, and to maximize the benefit that could accrue to them from the process of globalisation. The impressive progress made by several developing countries, in one field or another, has opened up new vistas for complementarities in production and trade. Large and growing domestic markets, considerable human and natural resources and the inherent creativity and skills are all part of the enormous potential that could be used by the South to mutual benefit and advantage of all. They underlined that shared developmental concerns made it imperative to address basic needs of our people for food and drinking water, health and sanitation, shelter, education and employment.

Sophisticated and advanced technologies now exist to meet these needs in a cost effective manner, and as developed countries are not likely to be interested in these objectives, it was necessary that developing countries should come to their own help. They also stressed their commitment to share the usable knowledge developed in high-technology fields like biotechnology, computers, information technology, remote sensing, oceanography, food processing and preservation, health, and appropriate housing. At the same time the Ministers recognized the increasingly widening gap in science and technology, between the developed and developing countries and called on the developed countries to implement the commitments undertaken by them, including in the recent cycle of global conferences, to transfer technology on an urgent basis and on concessional terms to developing countries. The Ministers noted the importance of triangular arrangements in the context of South-South cooperation.

96. The Ministers recognized the increased relevance and importance of South-South cooperation in the current international economic climate. They therefore reiterated their support for South-South cooperation both as a strategy in support of the development efforts of the developing countries and as a means of enhancing participation of developing countries in the emerging global economy.

97. The Ministers also emphasized the increasing importance and complementarity of economic and technical cooperation among developing countries as a means of supporting the development efforts of these countries and ensuring their effective participation in the emerging global economic order that is increasingly shaped by the forces of globalisation and economic liberalization. In this regard, they welcomed the outcome of the Eleventh Session of the High-level Committee on the Review of TCDC held in New York from 1 to 4 June 1999 and urged the Administrator of UNDP to continue to preserve the separate identity of the Special Unit for TCDC and to provide the necessary resources to enable the Unit to carry out its responsibilities and mandates.

98. The Ministers welcomed the outcome of the Conference on Sub-regional and Regional Economic Cooperation held in Bali, Indonesia, in December 1998 and emphasized the need to ensure an effective follow up of the Bali Declaration and Plan of Action as well as the importance of holding sectoral follow-up meetings. They also called on Member States to come forward to offer possible venues for the 10th Session of Intergovernmental Follow-up and Coordination Committee on ECDC/TCDC (IFCC) in the year 2000 and to provide their full support for the implementation of the decisions and recommendations of such follow-up meetings.

99. In view of the important forthcoming WTO Ministerial Meeting to be held in Seattle, Washington (USA) in November 1999, and tenth session of UNCTAD to be held in Bangkok, Thailand, in February 2000, the Ministers agreed on the need to put in place appropriate mechanisms to facilitate the effective and enhanced participation of developing countries in future multilateral trade negotiations, particularly WTO, including inter-alia through enhanced information exchange and policy analysis by utilising the relevant expertise.

100. The Ministers strongly encouraged developing countries that are in a position to do so, to provide support and contribute generously to organizations and funds that are involved in

promoting South-South cooperation, including the United Nations Trust Fund on South-South Cooperation, the Perez-Guerrero Trust Fund, and the Global System of Trade Preferences among Developing Countries (GSTP).

101. The Ministers reaffirmed that South-South cooperation is an integral element of international cooperation for development as well as an essential basis for collective self-reliance and economic growth and development. They therefore appealed to developing countries to explore actively all opportunities for expanding South-South Cooperation and to examine in-depth how the Caracas Programme of Action (CPA) of the Group of 77 and the Action Programme of Economic Cooperation (APEC) of the Non-Aligned Movement, could complement and reinforce each other.

102. The Ministers welcomed the generous offer made by the Government of the Republic of Guyana to host, within the context of the preparatory process of the South Summit, a High-level Meeting of eminent personalities to be held in Georgetown from 22 to 23 November 1999, with a view to formulating recommendations for an agenda for the South that may serve as an input to the deliberations of the South Summit.

103. The Ministers approved the financial statement for 1999 and appealed to the members of the Group of 77 to contribute generously to the "ECDC Account" in order to facilitate the implementation of the Caracas Programme of Action. For those that have not yet contributed, the Ministers made a special appeal for them to do so, and to those who have already contributed an appeal was made to increase their contributions to allow the Group to meet the demands of a growing international agenda.

104. The Ministers approved the report of the Fourteenth Meeting of the Committee of Experts of the Perez-Guerrero Trust Fund (PGTF), which was presented in accordance with the guidelines for the utilization of PGTF, and endorsed its recommendations. They expressed satisfaction with the results achieved by PGTF and commended the Chairman's Fund raising campaign for 1999 with the view to expanding the PGTF resources in accordance with the relevant mandates.

105. The Ministers commended the Chairmen of the Group of 77 and the Coordinating Bureau of the Non-Aligned Movement for promoting greater coordination among the Group of 77 and the Non-Aligned Movement through the Joint Coordinating Committee (JCC). They stressed that coordination and cooperation between these two groups is essential in order to strengthen and advance the position of the developing countries on various multilateral issues and reaffirmed their commitment to continue such coordination through the JCC.

106. The Ministers welcomed the submission made by the Chairman of the G-77 to the G-8 meeting held last June in Cologne in which the positions of developing countries on major development issues were conveyed. In this regard, the Ministers stressed the importance that developed countries partners, including the G-8 take fully into account the views and interests of the developing countries in their deliberations and decision-making on global economic issues and invited the Chairman of the Group of 77 to continue conveying promptly such concerns and interests to the G-8.

107. The Ministers declared their full support for the measures aimed at enhancing coordination and interaction among developing countries through consultations and exchanging of information among the various Chapters on a regular basis as identified in the final Communiqué adopted by the 26th Meeting of the Chairmen/Coordinators of the Group of 77 Chapters held in Geneva on 6-7 April 1999.

108. The Ministers pledged to continue working together in a more cohesive and harmonious manner with a view to ensuring an effective follow up for the decisions to be taken by the first Group of 77 South Summit. In this regard, the Ministers stressed that the outcome of the Summit will significantly contribute to enabling the Group to effectively advance its interest in the work of the United Nations including through the Millennium Summit. Anticipating the challenges of the next century, the Ministers expressed their commitment to cooperate and further consolidate their unity for the benefit of developing countries. In this spirit, they resolved to continue their concerted efforts to help bring about a more equitable, prosperous and secure world in which all nations, large and small, weak and powerful may share the blessings of peace, development and cooperation.

109. The Ministers expressed their profound gratitude for the exemplary manner in which Guyana has assumed its role as presiding country of the Group of 77 for 1999 and welcomed and pledged their support to the Federal Republic of Nigeria, which will assume the Chairmanship of the Group of 77 for the year 2000.

Annex II

Ministerial statement on the South Summit, adopted at the twenty-third annual meeting of Ministers for Foreign Affairs of the Group of 77, held at United Nations Headquarters on 24 September 1999

1. We, the Ministers of the Group of 77 convened at the Twenty-third Annual Meeting of the Foreign Ministers of the Group of 77 in New York on September 24, 1999, reaffirm our commitment to make the forthcoming South Summit to be held in Havana, Cuba in April 2000, a historic event commensurate with the needs and aspirations of our countries for meeting the challenges of the new millennium.

2. To this end, we are committed to an intensive, comprehensive and inclusive preparatory process and note with appreciation the progress already made by the preparatory committee. We call on all member states of the Group of 77 to participate fully and actively in the preparatory process to ensure the successful outcome of the Summit.

3. We commit ourselves to promote and sensitize the international community to the goals and objectives of the Summit and to mobilize moral and material resources in its support. In this context we applaud the efforts of the host country, Cuba, and reiterate our appreciation for its generous offer to host the Summit.

4. The new millennium presents a formidable challenge for the countries of the South to shape their own destinies, in a balanced and just partnership with the rest of the international community. For this purpose, we consider that the Summit should focus on the broad themes of globalisation, knowledge and technology, South-South cooperation and North-South relations. We undertake to critically examine these questions, with a view to identifying measures and responses, and to define initiatives and actions for implementation in the short, medium and long term.

5. Through the Summit, we are determined to launch an unrelenting struggle against the forces of poverty and marginalization, which atrophy the vigour of our countries and peoples. We shall make the struggle against underdevelopment the binding cement of the solidarity of the South.

6. We shall strive at Havana to construct an international development paradigm based on growth, stability and equity, and intend to establish a positive agenda of the South to promote our economic security and social welfare. We also call for a viable, equitable and results-oriented North-South Dialogue for a just and sustained partnership in the interest and well being of the greater human family.

7. We see the South Summit as an opportune time for honest assessment and for defining the common interests of the South around the key development challenges and issues that we face together. Learning from the past and understanding new and emerging problems we shall define common approaches by which to advance our common aspirations through collective action based on solidarity and shared human values in pursuit of this noble and historic endeavour.